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*Counsel to Tensor Opportunity Limited*

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re LEHMAN BROTHERS HOLDINGS	:	Case No. 08-13555 (JMP)
INC., <i>et al.</i>	:	(Jointly Administered)
	:	
Debtors.	:	
	:	
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**DECLARATION OF MICHELE NAVAIZIO**

I, Michele Navazio, declare under penalty of perjury, pursuant to 28 U.S.C. Section 1746, that the foregoing is true and correct:

1. I am a former associate at Purrington Moody Weil LLP ("Purrington"). I am a member in good standing of the bar of the State of New York.
2. I submit this declaration in support of the motion (the "Motion") of Tensor Opportunity Limited ("TOL") to permit it to file a late proof of claim pursuant to Federal Rule of Bankruptcy Procedure 9006(b)(1).
3. TOL retained Purrington in connection with the above-captioned chapter 11 cases, specifically to protect its rights in light of the Debtors' filing (the "Filing") for chapter 11 relief, pursuant to title 11 of the United States Code (the "Bankruptcy Code"), on September 15, 2008. Subsequent to the Filing, regulators in the United Kingdom ("UK") placed several of Debtors' UK subsidiaries, including Lehman Brothers

International Europe, Debtors' principal European broker-dealer ("LBIE"), in administration (the rough equivalent of a chapter 11 bankruptcy pursuant to the Bankruptcy Code).

4. Prior to Debtors' Filing, TOL and LBIE were parties to an International Swaps and Derivatives Association ("ISDA") Master Agreement dated as of January 11, 2006 (the "TOL ISDA"). Lehman Brother Holdings Inc. ("LBHI"), one of the Debtors in the above captioned case, was the credit support provider under the TOL ISDA and had provided a guarantee of LBIE's obligations under the TOL ISDA.


5. The Motion stems from a mistake arising out of an incorrect notation taken by me in the process of a survey of TOL's ISDA documentation, undertaken after the Debtors' Filing, to assess TOL's exposure and confirm the steps to be taken to protect TOL's rights.

6. During this process that involved surveying hundreds of documents, I incorrectly labeled the TOL ISDA as being "LBIE" only, without reference to the LBHI guarantee, and subsequently I filed the TOL ISDA apart from those client ISDAs for which claims would be required to be filed for both LBIE, as the counterparty, and LBHI, as the guarantor. (The deadline set by the administrators for filing proof of debts in the LBIE administration<sup>1</sup> is set for December 31, 2010, well over a year after the September 22, 2009 Bar Date established in the LBHI chapter 11 case. This resulted in the somewhat unusual task of reviewing the documents first in order to assess whether claims existed against LBHI, the guarantor, before deciding whether to file claims against LBIE, the counterparty).

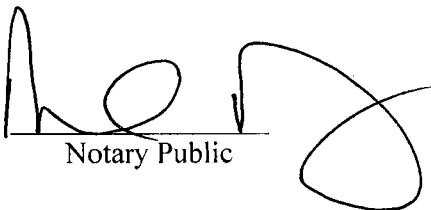
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<sup>1</sup> The insolvency of LBIE is governed by the UK Insolvency Act 1986 and related regulations.

7. The notation error, and the consequent failure to file the LBHI proof of claim, was discovered by me January 6, 2010, when in the course of a general review of client documentation related to the various Lehman proceedings, to prepare for filing the claim against LBIE, as the counterparty, I discovered that the TOL ISDA also included an LBHI guarantee. Subsequently, bankruptcy counsel was retained and the Motion ensued and was filed as soon as practicable after discovering the mistake.

  
Michele Navazio

Sworn to before me:  
This 3rd day of February, 2010

  
Notary Public

MICHAEL A RODRIGUEZ  
Notary Public, State of New York  
No. 02RO6173237  
Qualified in New York County  
Commission Expires August 27, 2011